

**Averill Park Central School District
Corrective Action Plan
Extraclassroom Activity Fund (ECAAF)
(Independent Audit Report 2018-19)**

INTERNAL CONTROL CONDITION

Controls Over Cash Receipts

Limited accounting controls over the collection of receipts by clubs prior to the initial entry of these receipts in the accounting records.

Reporting To The Board

Central Treasurer is not reporting to the Board regularly.

Budgetary Estimates Of Clubs

The District should review NYSED's Finance Pamphlet 2 for all aspects of control over Extraclassroom Activity Funds. However, as it relates to cash receipts, the Fund should consider the following:

All donations should be documented in the minutes of each Club receiving donations as soon as they are received. The minutes should be signed by the Club officers and maintained as part of the official records of the club. In addition, the copy of the check or other documentation, such as a letter from the donor, should be filed with the cash receipts documentation.

The Fund should consider issuing pre-numbered receipts to all Clubs with directions as to when a receipt should be issued, i.e. anytime an individual collects money from another individual.

Periodically, the pre-numbered receipt books should be collected and reconciled to the cash receipts recorded.

The Fund should require all fundraising activity to be supported by a ticket reconciliation for events for which admission is charged. Any fundraisers involving the sale of inventory should be supported by an inventory reconciliation form which should be attached to the cash receipt.

To provide a system of checks and balances, all clubs should be required to prepare a statement of profit and loss for each fundraising event held. This will institute a sense of accountability as each event will be reviewed for effectiveness and efficiency.

Per NYSED guidance, the Central Treasurer should report to the Board regularly.

No budgetary estimates of receipts and disbursements of each club are made and documented.

CORRECTIVE ACTION

The District will review all aspects of the 2015 NYSED guidance document, *The Safeguarding, Accounting, And Auditing of Extraclassroom Activities Funds*, with the Faculty and Student Advisors of each Club to ensure their understanding of the recommended internal controls and procedures over the collection and deposit of cash receipts.

The Central Treasurer will report quarterly to the Board of Education detailed Club account revenue and expenditure transaction activity.

The Faculty Auditor will communicate to each Club's Faculty and Student Advisor the requirement that revenue & expense budget be established at the beginning of the school year and will review the budget to actual reports periodically throughout the school year.